

## **Cint Group AB (publ) – Remuneration report for 2021**

### **1 Introduction**

Pursuant to Chapter 8, Sections 51–53 of the Swedish Companies Act (2005:551) (the “**Companies Act**”), the board of Cint Group AB (publ) (the “**Company**” or together with its subsidiaries the “**Group**”) shall prepare a proposal to the annual general meeting on guidelines for salary and other remuneration to the board members, the Chief Executive Officer (the “**CEO**”) and the deputy Chief Executive Officer (if the Company has appointed a deputy Chief Executive Officer) (the “**Deputy CEO**”). During the previous financial year, the guidelines adopted at the annual general meeting on 5 February 2021 have been applied (the “**Guidelines**”). The Guidelines adopted by the annual general meeting are included on pages 73–74 of the Company’s annual report for 2021. Information on the work of the remuneration committee in 2021 is set out in the corporate governance report, which is available on pages 48–56 of the annual report for 2021.

Pursuant to the Swedish Corporate Governance Code, these Guidelines also includes other senior executives. Senior executives refers to the Company’s CEO and executives who are part of the Group management. The Guidelines encompass all remuneration, irrespective of type, that is payable to such senior executives, however, the Guidelines do not include Board fees and other remuneration resolved by the general meeting pursuant to Chapter 8, Section 23 a of the Companies Act or such issues and transfers encompassed by Chapter 16 of the Companies Act (the so-called LEO Act).

Chapter 8, Section 53 a of the Companies Act stipulates that, for each financial year, the Board shall prepare a report on paid and outstanding remuneration covered by the Guidelines (the “**Remuneration Report**”). Since the Company has no deputy CEO and the Board members do not receive any remuneration other than resolved by the general meeting, this Remuneration Report on paid and outstanding remuneration to senior executives only includes the Company’s CEO. In addition, the Remuneration Report shall contain a summary of each of the Company’s variable remuneration schemes, both outstanding and concluded during the year, in compliance with the Swedish Corporate Governance Board’s rules on remuneration to senior executives and on incentive programs.

The Remuneration Report is to be presented before the annual general meeting for approval.

Further information on remuneration to Board members, the CEO and other senior executives during the previous financial year are included in note 6 of the Company’s annual report.

The Company’s general results and specific events for the financial year 2021 are summarized by the Company’s CEO Tom Buehlmann on pages 10–11 in the annual report.

## 2 Overview of compliance with the Guidelines

Cint is a global software platform that serves the insight industry worldwide. Cint therefore competes with a broad technology industry to attract qualified senior executives. Many of the key persons of Cint's senior executives are resident and work outside of Sweden, which is why the purpose of the guidelines is to ensure Cint's competitiveness as an employer in all geographical areas and domains in which the Company operates. The Company's remuneration principles have been designed to ensure responsible and sustainable remuneration decisions that support the Company's business strategy, long-term interests and sustainable business operations. In order for the Company to be able to fulfil its objectives, remuneration and other terms of employment must enable the Company to retain, develop and recruit qualified senior executives with relevant experience and expertise. In accordance with the Guidelines, the remuneration shall be in line with market conditions, competitive and reflect each senior executive's performance and responsibilities.

Remuneration can be paid in the following forms of compensation:

- Fixed cash remuneration
- Variable cash remuneration
- Pension benefits
- Non-financial benefits

The variable cash remuneration shall be based on a number of defined and measurable criteria that reflect the most important drivers for achieving the Company's business strategy, long-term interests and sustainable business operations. Such criteria shall consist partly of the Company's general material performance indicators and financial results, and partly of individual performance.

In addition to the above forms of remuneration, the general meeting may also decide on share-related long-term incentive programs.

The allocation of the CEO's total remuneration in relation to the forms of remuneration under the Guidelines is shown in the table in section 4.1 below.

## 3 Annual changes

The following table presents the changes in remuneration to the CEO related to the Group's net sales and operating profit/loss and the average remuneration to employees within the Group over the past five financial years.

Annual changes, TEUR	2021	2021 vs 2020	2020 vs 2019	2019 vs 2018	2018 vs 2017	2017 vs 2016
<b>Remuneration to the CEO</b>						
CEO <sup>1)</sup>	1,347	+844 +63%	+21 +4%	-77 -14%	+115 +26%	+119 +36%
<b>The Group's result, MEUR</b>						
Net sales	139	+41 +41%	+26 +37%	+19 +36%	+11 +27%	+8 +24%
Operating profit/loss (EBIT)	-3	-9 -150%	+7 +1,373%	+1 +64%	-2 -279%	-1 -58%
<b>Average remuneration per full-time equivalent for other employees<sup>2)</sup></b>						

Employees of the Group (other than directors and the CEO)	120	+13	-16	+16	+6	+20
		+13%	-13%	+15%	+6%	+24%
1) Refers to Tom Buehlmann since 2017 and Morten Strand in 2016.						
2) Average remuneration in the Group calculated based on personnel costs according to the income statement divided by the average number of employees during each year.						

## 4 Total remuneration of the CEO

### 4.1 Total remuneration during the financial year 2021

During the financial year 2021, the received fixed remuneration, variable remuneration and other benefits covered by the Guidelines as set out in the table below. In addition to variable compensation in accordance with the application of the criteria for variable remuneration under the Guidelines, the Company's board of directors decided in 2021 to pay a one-off compensation in connection with the Company's acquisition of Lucid Holdings, LLC, which was completed in December 2021. The compensation is disclosed in item "3 – Extraordinary items" in the table below and also described below in section 8.

TEUR	1 – Fixed remuneration		2 – Variable remuneration		3 – Extraordinary items	4 – Pension	5 – Total remuneration	6 – Proportion of fixed and variable remuneration
	Salary	Benefits	Annual	Multi-year				
Tom Buehlmann, CEO	384	0	233	0	730	0	1,347	29% and 71% respectively

The remuneration of the CEO was paid by Cint Group AB (publ). No other group company paid any remuneration to the CEO during 2021. In addition to the remuneration above, the CEO has, during 2021, participated in the Company's currently outstanding long-term share-related incentive programs, see section 5 below.

### 4.2 Application of criteria for the variable cash remuneration

In accordance with the Guidelines, variable remuneration shall be based on a set of predetermined and measurable performance criteria that reflect the key drivers for pursuing the Company's business strategy, long-term interests and sustainable business practices. Such performance criteria shall consist of key performance indicators both for the Company's overall and financial performance as well as individual performance. Variable remuneration shall not exceed 100% of the annual fixed remuneration. The Remuneration Committee is responsible for assessing whether the criteria for variable remuneration are met. The CEO's performance in relation to the criteria for variable remuneration during the reported financial year is shown in the table below.

Description of criteria attributable to the remuneration component	Relative weighting of performance criteria	a) measured performance and b) actual allocation/compensation outcome (TEUR)
Net sales versus target sales levels	50%	a) 100% b) 116,5

Gross margin achievement versus targeted levels	25%	a) 100% b) 58,3
EBITDA margin achievement versus targeted levels	25%	a) 100% b) 58,2

## 5 Long-term share based incentive programs

The Guidelines do not cover remuneration decided by the annual general meeting. Cint currently has four long-term share based incentive programmes: two warrant programs, a share savings programme and a share option plan. The purpose of the incentive programmes are, among other things, to encourage a broad ownership amongst the Company's employees, facilitate recruitment, maintain competent employees, increase the alignment of interest between the employees and the Company's shareholders and increase motivation to reach or exceed the Company's financial targets.

Below is a summary of Cint's incentive program as well as information on the number of shares and options that have been allotted or offered to the CEO and the main terms and conditions for exercising the options, including the exercise price and exercise date and any changes to the terms and conditions of the options.

### 5.1 Warrant programme of series 2021/2022 and series 2021/2024

An extraordinary general meeting of the Company held on 18 February 2021 resolved to issue warrants as part of an incentive programme for certain senior executives and key employees of the Group. A total of 3,546,282 warrants were issued in two series (series 2021/2022 and series 2021/2024). The warrants were issued to the participants at market value. The number of warrants per participant and series depended on the participant's position and responsibilities within Cint. The increase in the Company's share capital, assuming full subscription and full exercise of the warrants, will not amount to more than SEK 354,628.2.

Series 2021/2022 comprise of 1,773,141 warrants that can be exercised to subscribe for one share during a subscription period being the four week period following the publication of the Company's interim report for the second quarter of 2022. Series 2021/2024 comprise of 1,773,141 warrants that can be exercised to subscribe for one share during a subscription period being the four week period following the publication of the Company's interim report for the fourth quarter of 2023.

The exercise price for Series 2021/2022 corresponds to 125 % of the offering price of the Company's IPO (SEK 72), but may not be lower than the quotient value of the share. In the event that the Company's share price exceeds 173 % of the offering price, a recalculated lower number of shares to which each warrant entitles shall apply. The exercise price for Series 2021/2024 corresponds to 135 % of the offering price (SEK 72), but may not be lower than the quotient value of the share. In the event that the Company's share price exceeds 213% of the offering price, a recalculated lower number of shares to which each warrant entitles shall apply.

The CEO holds 187,966 warrants of series 2021/2022 and 187,966 warrants of series 2021/2024.

## **5.2 Share savings programme**

An extraordinary general meeting of the Company held on 18 February 2021 resolved to implement a long-term incentive program in the form of a share savings program. All employees in the Company at the time for the general meeting, was offered participation in the share savings program. Participation required the employee to make own investments in the Company's shares at market price at Nasdaq Stockholm ("**Savings Shares**"). The maximum investment permitted in Savings Shares was no more than SEK 100,000. Participants who retain the Savings Shares during the program's term of three years and also remain employed by Cint throughout the whole period will at the end of the period be eligible for free additional shares ("**Matching Shares**"). For each three (3) Savings Shares held, one (1) Matching Share is awarded. The share saving program is subject to customary recalculation provisions.

Full allotment of Matching Shares mean that the total number of shares under the program will amount to no more than 200,092 shares. For the purpose of ensuring delivery of Matching Shares and hedging social security costs under the share savings program, 200,092 warrants has been issued without consideration to a wholly owned subsidiary of the Company. At the end of the vesting period, the warrants will be transferred, converted into shares and/or transferred to participants that have been granted allocation.

The CEO acquired 0 Saving Shares, which entitles to 0 Matching Shares.

## **5.3 Warrant program of series 2022/2024**

An extraordinary general meeting held on 17 December 2021 resolved to establish a warrant program certain for senior executives and key employees of the Group.

In total, the warrant program encompass a maximum of 4,259,532 warrants. The warrants were issued to the participants in the program for market price. The number of warrants per participant depends on the participant's position and responsibilities within the Group.

The warrants may be exercised during the subscription period from and including the day following the publication of the interim report for the period 1 January–31 December 2023 and during a period of four weeks thereafter, however, not earlier than 19 February 2024 and not later than 10 April 2024. Each warrant shall entitle the holder to subscribe for one new share in the Company.

The subscription price for each new share shall be equal to an amount corresponding to 150% of the volume weighted average price for the Cint share on Nasdaq Stockholm during the trading days falling within a period of five (5) business days immediately prior to the first date of application for warrants for the Participant (base price). If upon subscription of new shares by exercising the

warrants, the average share price of the Company's share, calculated in accordance with the complete terms and conditions for the warrants, exceeds 250% of the Base Price, a recalculated lower number of shares to which each warrant entitles shall apply.

The CEO holds 270,000 warrants of series 2022/2024.

#### **5.4 Share option plan**

An extraordinary general meeting held on 17 December 2021 resolved to establish a share option plan for certain senior executives and key employees of the Group.

In total, the share option plan encompass of a maximum of 4,259,532 options. To secure the delivery of shares under the share option plan, warrants has been issued to a wholly owned subsidiary of Cint with the right and obligation to dispose of the warrants in accordance with the Company's obligations under the share option plan, which includes to transfer the warrants to participant in accordance with the share option plan. The number of warrants per participant depends on the participant's position and responsibilities within the Group.

The options may be exercised during the subscription period from 31 March 2022 until 31 December 2025. Each warrant shall entitle the holder to subscribe for one (1) new share in the Company.

The performance criteria of the share option plan is based on relative TSR (total shareholder return) during a performance period of three years commencing on 1 January 2022 against those companies which are included in the N Technology EUR GI index as at the date of grant of the options and vesting of the options is dependent the Cint TSR ranking in the comparator group. If the Cint TSR ranking is lower than the median of the comparator group, no (zero) options shall vest. Thereafter, options shall vest in 6% increments for each full percentage point that the Cint TSR ranking is higher than the median until 30% of the options are vested. Thereafter, straight line of vesting from the 55th until the upper quartile when 100% of the options are vested. Any Options that are not vested will be deemed forfeited without consideration

The price payable per share upon exercise of an option shall (prior to any recalculations) correspond to the volume weighted average price for the Cint Share on Nasdaq Stockholm during the trading days falling within a period of five (5) banking days immediately prior to the date of grant. Furthermore, the options are subject to a cap so that if the market price of the Cint shares on the vesting date is in excess of 250% of the exercise price, the board of directors shall reduce the vesting of options so that the participant's aggregate gross proceeds are capped at 250% of the exercise price had there not been any such reduction. The options are also subject to certain vesting conditions which may affect the number of options that are available to exercise.

The CEO holds 125 000 options.

## **6 Recovery of variable remuneration**

No variable remuneration paid to the CEO has been subject to recovery during the previous financial year.

## **7 Deviations from the decision-making process for determining remuneration**

No deviations from the process, as established in the Guidelines, for determining remuneration for the CEO occurred during the previous financial year.

## **8 Deviations from the Guidelines**

The board of directors may temporarily be entitled to depart from these Guidelines, in whole or in part, if in a specific case there is special cause for the departure and the departure is necessary to serve the Company's long-term interests, including sustainability, or to ensure the Company's financial viability. The board of directors has decided to use the possibility to temporarily disregard the guidelines for remuneration to senior executives regarding that the variable remuneration shall not exceed 100% of the fixed remuneration. The departure from the Guidelines was made in connection with the acquisition of Lucid Holdings, LLC ("**Lucid**") and in the form of a one-off compensation to the senior executives, whereby a number of senior executives (including the CEO (TSEK 730)) received variable remuneration amounting to more than 100% of the fixed remuneration. The deviation from the Guidelines was made and justified as a result of the strategic efforts by the senior executives to put Cint in a position where an acquisition of Lucid was possible and executable. The combination of Cint and Lucid holds a tremendous potential for the Company and thus the board of directors felt that rewarding the senior executives for their efforts was justified. The total remuneration of the CEO and other senior executives in 2021 amounted to TEUR 4,309, of which the variable remuneration amounted to TEUR 2,843

The auditor's statement on the Company's compliance with the Guidelines is available on the Company's website: [www.cint.com](http://www.cint.com).

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Stockholm, April 2022

**Cint Group AB (publ)**

*The board of directors*